

From: Beth Epperson
To: Microsoft ATR
Date: 1/25/02 4:23pm
Subject: Microsoft

Hello,

As you can see from my email address, I work for Netscape. Even though I am a Netscape employee, I believe that I have an open and objective attitude about fair business practices, ethical conduct and the need to move ones business into new directions.

When the web began to excel and expand beyond government and academia, I do not believe anyone had the vision that it would be as widespread as it has become. The web has provided more exposure and access to so many people around the world, it has indeed been one of the most influential tools of the century. From a business perspective, the exposure is overwhelming, you can reach literally thousands of households with minimal expense. It has truly changed the way we do business.

The most difficult aspect of the web is how to generate revenue. Looking at the culture of business on the web, it is in direct opposition to how we have traditionally done business. In the past, if you wanted or needed a service, you paid for it. The service provider set the price and you were at their mercy. Advertisement was not a true revenue generator, companies spent thousands of dollars per year in getting their brand out to the public. Instead, advertisement was an evil necessity, necessary to the survival of any company. Today, on the web, services are for free, software is free, and many other services that were traditionally revenue generators. Advertisement is a revenue generator, however, advertisements are not for your company, but for other companies on your web site, that is a very dramatic change. Could you imagine 25-30 years ago, getting a brochure in the mail from company XYZ, only to see advertisements in that brochure for companies ABC and DEF? That would just not have happened.

I think in the beginning, Microsoft didn't see the advantages of this new web thing. I think they saw it, analyzed it and walked away. Then the web began to evolve. Numerous companies sprang up based solely on the activities and services -- browsing, email, data exchange, etc. AOL, Compuserve, Netscape are just a few of the companies that began to grow and expand. I think that is about the time Microsoft figured out that there was money to be had, but didn't quite know how to get that to happen. The traditional business methodology was not there. Advertising was different, software applications were different, the audience was different, just about everything was different. Netscape at that time had a firm hold on the browser market, and that was our sole source of revenue -- the browser, the web server software and advertisement revenue on our site. Microsoft threw hundreds of people into building a

browser that would compete -- not necessarily to promote competition, but rather to keep people in their market place. But, Netscape continued to dominate the market. At that point in time is where I think Microsoft pursued the path of poor business ethics, they lowered themselves to a level of dirty deeds and actions. If they could not gain market share by creating a superior product, then they would do whatever they had to to run Netscape out of business. And with that task in hand, they did an excellent job.

What I really don't understand, is how do the people who made that conscious decision sleep at night. To lower oneself to perform in such a manner is beyond my comprehension. Should Microsoft be sanctioned for their business practices, yes I believe they should. Would I fine them, no. Would I make them remove applications from their desktop, no. Would I force them to provide alternative software in their bundles, no. What I would do, however, is force them to make their operating system open, accessible and free. Allow all software companies access to the operating system, allowing for greater flexibility and freedom for all users of windows. This would allow companies such as Dell, Compac, Apple to provide software bundles of varying content. It would allow companies such as Netscape to finely integrate with the operating system. This would prevent Microsoft from hiding worms and performance bugs into their operating system that is only triggered via non-Microsoft products. This would allow users to pick and modify the desired software found on each persons desktop. Let the operating system be open and let the specific application software be revenue driven.

Thank you for letting me air my concerns.

Regards,

Beth Epperson